

Whereas a study by the American Institute of Certified Public Accountants found that 55 percent of people between the ages of 25 and 34 maintain an interest-bearing account or other savings instrument, a decrease of 10 percent since 1985;

Whereas studies show that as many as 10,000,000 households in the United States are "unbanked" or are without access to mainstream financial products and services;

Whereas expanding access to the mainstream financial system provides individuals with lower-cost and safer options for managing finances and building wealth and is likely to lead to increased economic activity and growth;

Whereas public, consumer, community-based, and private sector organizations throughout the United States are working to increase financial literacy rates for Americans of all ages and walks of life through a range of outreach efforts, including media campaigns, websites, and one-on-one counseling for individuals;

Whereas Members of the United States House of Representatives established the Financial and Economic Literacy Caucus (FELC) in February 2005 to (1) provide a forum for interested Members of Congress to review, discuss and recommend financial and economic literacy policies, legislation, and programs, (2) collaborate with the private sector, nonprofits, and community-based organizations, and (3) organize and promote financial literacy legislation, seminars, and events, such as "Financial Literacy Month" in April 2007 and the annual "Financial Literacy Day" fair on April 24, 2007; and

Whereas the National Council on Economic Education, its State Councils and Centers for Economic Education, the JumpStart Coalition for Personal Financial Literacy, its State affiliates, and its partner organizations, and JA Worldwide have designated April as Financial Literacy Month to educate the public about the need for increased financial literacy for youth and adults in the United States: Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the goals and ideals of Financial Literacy Month, including raising public awareness about the importance of financial education in the United States and the serious consequences that have resulted from a lack of understanding about personal finances; and

(2) requests that the President issue a proclamation calling on the Federal Government, States, localities, schools, nonprofit organizations, businesses, other entities, and the people of the United States to observe the month with appropriate programs and activities with the goal of increasing financial literacy rates for individuals of all ages and walks of life.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from North Carolina (Ms. FOXX) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. Mr. Speaker, the importance of financial and fiscal responsibility cannot be overstated. Personal

financial literacy is essential to ensure that individuals are prepared to manage money, credit and debt and become responsible workers, heads of households, investors, entrepreneurs, business leaders and citizens. That is why I am pleased to support H. Res. 273.

Personal savings as a percentage of personal income decreased from 7.5 percent in the early 1980s to a negative 0.2 percent in the last quarter of 2005.

As the resolution notes, 92 percent of college students acquire at least one credit card by their second year in college, yet only 26 percent of people between the ages of 13 and 21 reported that their parents actively taught them how to manage money.

The JumpStart Coalition for Personal Financial Literacy seeks to improve the personal financial literacy of young adults. JumpStart's purpose is to evaluate the financial literacy of young adults and to develop, disseminate and encourage the use of financial education standards for grades K-12 and promote the teaching of personal finance.

To that end, JumpStart has established 12 must-know personal financial principles for young people to improve their financial future. These 12 principles should be followed by adults as well.

The 12 financial principles stressed during the Financial Literacy Month for Youth are map your financial future;

Do not expect something for nothing, and high returns equal high risk;

Know your take-home pay, compare interest rates, pay yourself first, and money doubles by the rule of 72; to determine how long it would take your money to double, divide the interest into 72;

And your credit past is your credit future;

Start saving young, stay insured, budget your money, do not borrow what you cannot repay, and let me add one more thing, pay all your taxes.

Mr. Speaker, I am pleased to support this resolution supporting the goals of Financial Literacy Month and urge all my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I yield myself such time as I may consume.

Today many Americans do not know how to balance a checkbook, intelligently invest their money or financially plan for their retirement. Studies have shown that few young adults living in this country know how to responsibly use a credit card. This is a time when debt is on the rise and savings have dropped to negative 1 percent of personal income. It is clear that teaching financial literacy is imperative for individuals to learn how to manage their money, credit and debt.

While many States require high schools to teach financial education, increased economic education is still necessary. H. Res. 273 recognizes the goals and ideals of Financial Literacy

Month and raises awareness of the importance of financial education. It is our hope that the President calls on the government, States and other organizations to observe the month with relevant programs and activities supporting financial education.

Learning about saving and investing is especially important for today's young generation because of the uncertainty of the future of Social Security. More so than ever, private savings play a larger role in determining one's retirement. While there may be Social Security reform in the coming years, everyone must be able to adequately plan their savings for the future.

Financial education has proven to be very effective. Simple projects such as stock market simulations help young people understand how to invest in stocks, bonds and mutual funds. It is our hope they will retain these skills when they begin investing their own money.

Organizations such as the JumpStart Coalition for Personal Finance Literacy help spread awareness, especially in school-age children. The National Council on Economic Education has established many programs which give teachers the tools to teach their students basic economic skills and help them apply their knowledge to daily life. These groups recognize the need for more widespread financial literacy, but it is necessary for Congress to place more emphasis on this idea and encourage other organizations to begin to participate in this movement as well.

With a solid background knowledge of financial literacy, we can raise America's youth to become responsible employees, heads of households, investors, entrepreneurs and business leaders.

Mr. Speaker, I reserve the balance of my time.

Ms. WATSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Speaker, I rise in strong support of House Resolution 273 that the gentlewoman from Illinois (Mrs. BIGGERT) and I introduced earlier this year. The legislation supports the ideas and goals of Financial Literacy Month, which falls in April of each year.

Before I proceed, I want to take this opportunity to thank my good friend and colleague, Congresswoman WATSON from California, for managing time on this resolution for our side of the aisle. I also want to take this opportunity to thank all of my Democratic colleagues who cosponsored this important resolution this year.

Together with the tremendous number of cosponsors Congresswoman BIGGERT obtained, we broke our old record of 91 cosponsors and garnered the support of 118 Members of Congress for this bill.

I am very pleased with this development. It shows that an increasing number of Members of Congress are beginning to see the light and come on board